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18 Attorneys for Plaintiff
19 OVERTURE SERVICES, INC.

20 UNITED STATES DISTRICT COURT
21 NORTHERN DISTRICT OF CALIFORNIA
22 SAN FRANCISCO DIVISION

23
24 OVERTURE SERVICES, INC., a
25 Delaware Corporation,

26 Plaintiff,

27 vs.

28 GOOGLE INC., a California Corporation,

Plaintiff, Overture Services, Inc., ("Overture"), replies to the counterclaims of

29 No. C02-01991 JSW

30 **PLAINTIFF OVERTURE SERVICES'S
31 REPLY TO DEFENDANT'S AMENDED
32 COUNTERCLAIMS**

33
34 Plaintiff, Overture Services, Inc., ("Overture"), replies to the counterclaims of
35 Defendant Google Technology, Inc. ("Google") as follows:

General Allegations

27. Admitted.

28. Admitted.

29. Admitted.

30. Overture is informed and believes that Google is a California corporation with its principal place of business in Mountain View, California. Overture is further informed and believes that at the time Google's counterclaims were originally filed, Google's corporate name was Google Inc. Overture is without sufficient information to form a belief as to the remaining allegations of paragraph 33, and therefore denies those allegations.

31. Overture admits that Overture is a Delaware corporation with its principal place of business in Pasadena, California. Overture cannot respond to Google's information and belief.

First Counterclaim (Declaratory Judgment of Non-Infringement)

32. No response is necessary to the allegations incorporated from paragraphs 1 through 9. With respect to the allegations incorporated from paragraphs 10 and 26, denied. With respect to the allegations incorporated from paragraphs 27 through 31, Overture repeats and realleges by reference its responses set forth above.

33. Denied.

34. Denied.

Second Counterclaim (Declaratory Judgment of Invalidity)

35. No response is necessary to the allegations incorporated from paragraphs 1 through 9. With respect to the allegations incorporated from paragraph 11, admitted. With respect to the allegations incorporated from paragraphs 12 through 16, denied. As of April 28, 1998, GoTo.com operated a beta or test version of a system then under development, and the beta or test version of a system then under development hosted

1 advertisements as of April 28, 1998, but the beta or test version of a system then under
 2 development was not the system claimed by the '361 patent. In addition, Overture
 3 cannot respond to Google's information and belief. With respect to the allegations
 4 incorporated from paragraphs 27 through 31, Overture repeats and realleges by
 5 reference its responses set forth above.

6 36. Denied.

7 37. Denied.

8

9 **Third Counterclaim**
(Declaratory Judgment of Unenforceability)

10 38. No response is necessary to the allegations incorporated from paragraphs
 11 1 through 9. With respect to the allegations incorporated from paragraphs 11 and 17,
 12 admitted. With respect to the allegations incorporated from paragraphs 12 through 16
 13 and 18 through 25, denied. As of April 28, 1998, GoTo.com operated a beta or test
 14 version of a system then under development, and the beta or test version of a system
 15 then under development hosted advertisements as of April 28, 1998, but the beta or test
 16 version of a system then under development was not the system claimed by the '361
 17 patent. In addition, Overture cannot respond to Google's information and belief. With
 18 respect to the allegations incorporated from paragraphs 27 through 31, Overture
 19 repeats and realleges by reference its responses set forth above.

20 39. Denied.

21 40. Denied.

22

23 **OVERTURE'S AFFIRMATIVE DEFENSES TO**
GOOGLE'S COUNTERCLAIMS

24

25 **First Affirmative Defense**
(Failure to State a Claim)

26 27 1. Google's Counterclaims for Declaratory Judgment of Non-Infringement,
 28 Invalidity, and Unenforceability fail to state a claim upon which relief may be granted.

Second Affirmative Defense (Infringement)

2. Google is directly infringing, inducing infringement by others, and/or contributorily infringing one or more claims of the '361 patent.

Third Affirmative Defense (Validity)

3. The claims of the '361 patent are valid and enforceable.

Fourth Affirmative Defense (Truth of the Statements)

4. The statements made by Darren J. Davis in the declaration he submitted pursuant to 27 C.F.R. § 1.132 are true.

5. The statements made by John G. Rauch in the Amendment and Remarks submitted with Mr. Davis's declaration also are true.

6. Because these statements are true, there are no false statements to support Google's allegation of inequitable conduct.

Fifth Affirmative Defense (Lack of Intent to Deceive)

7. Mr. Davis did not intend to deceive the U.S. Patent and Trademark Office, including in connection with the submission of his declaration.

8. GoTo.com did not intend to deceive the U.S. Patent and Trademark Office, including in connection with the submission of Mr. Davis's declaration.

9. Counsel for GoTo.com did not intend to deceive the U.S. Patent and Trademark Office, including in connection with the submission of Mr. Davis's declaration or the accompanying Amendment and Remarks.

10. Because there was no intent to deceive the U.S. Patent and Trademark Office, there could be no acts of inequitable conduct.

PRAYER

WHEREFORE, Overture prays for a judgment:

(a) adjudging that Google has infringed the '361 patent;

(b) adjudging that the '361 patent is enforceable and not invalid;

(c) granting a permanent injunction restraining and enjoining Google,

and its officers and representatives, from further infringement of the '361 patent during the remaining term thereof;

(d) awarding Overture damages for Google's infringement of the '361

patent, in an amount to be determined at trial, together with prejudgment interest, and

that such damages be trebled pursuant to 35 U.S.C. § 284 because of the willful and

deliberate character of the infringement;

(e) awarding Overture its costs and attorneys' fees, and adjudging this

case to be an exceptional case pursuant to 35 U.S.C. § 285;

(f) awarding such other and further relief as the Court may deem

proper and just; and

(g) dismissing Google's counterclaims with prejudice.

JURY DEMAND

Overture hereby demands trial by jury as to all issues in this action triable by a jury.

Dated: April 28, 2003

By: _____ /s/

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